

DATE: November 9, 2017

TO: Council Members, City of Falls Church

FROM: Environmental Sustainability Council (ESC), Cory Firestone Weiss, Chair

SUBJECT: 2018 legislative agenda recommendations

In addition to the legislative agenda recommendations that the ESC's Energy Transition Sub-Committee has already submitted (attached), the ESC recommends that the City of Falls Church support elements of the <u>Virginia Municipal League's Environmental Quality Policy Statement</u> and the <u>Virginia Conservation Network's 2018 Environmental Briefing Book</u>.

Protect Executive Directive 11

• Governor MacAuliffe issued Executive Directive 11 in May 2017, directing the Virginia Department of Environmental Quality (DEG) to begin the process of developing a cap-and-trade system to reduce greenhouse gas emissions. As a signatory of commitments to fight against climate change in the absence of federal action, including Climate Mayors and the We Are Still In initiative, the City of Falls Church and its representatives should support and protect Virginia's efforts to implement a market-based approach to reduce carbon emissions. Ultimately, ED11 will help the City cost-effectively meet its own commitment to reduce GHG emissions 80% by 2050.

Green Buildings

• The environmental impact of buildings is an acute issue for Falls Church – buildings are responsible for 40% of greenhouse gas emissions annually, and buildings and surrounding impervious surfaces contribute significantly to polluted stormwater runoff. The ESC strongly supports VML's statement encouraging the Commonwealth to "develop building code standards that enhance environmental sustainability and energy efficiency and to enact policies to enable local governments to promote environmental sustainability and energy efficiency in construction." Stronger building codes would help the City meet its own environmental goals. Further, stronger codes would reduce the City resources required during the special exceptions process to exhort developers to build green.

Fund the Stormwater Local Assistance Fund (SLAF)

• Polluted stormwater runoff is increasing, posing a risk that the Commonwealth may not meet its goal to restore local streams and the Chesapeake Bay by 2025. This is a particular challenge in localities like Falls Church, as we face development that reduces pervious surfaces. The Stormwater Local Assistance Fund (SLAF) is a mechanism that has provided matching funding to Virginia localities' stormwater programs, yet the 2017 General Assembly failed to fund it. While not a perfect source of funding for Falls Church, where costs are high, the SLAF has been a helpful resource. Therefore, the ESC recommends the City support ample funding of the SLAF, as VML recommends. While we not have a strong view on dollar amount, the Virginia Conservation Network recommends annual funding of \$50 million.

Attachment: ETS legislative agenda recommendations

The Energy Transition Subcommittee (ETS) recommends the following issues for inclusion in the City's 2018 Legislative Program. Our goal is to increase the amount of renewable energy produced in the City, and reduce use of energy overall, leading to reduced Greenhouse Gas emissions.

1) Protect current net metering compensation

People who install solar systems on their buildings (also called "distributed solar") are currently able to send their excess energy into the grid and receive credit at the retail electricity rate. This arrangement is the main state incentive available to our residents. Given that there is no mandatory Renewable Portfolio Standard applicable in Virginia (mandatory RPSs exist in 29 states), it is important that net metering with retail compensation be maintained. RPS arrangements typically result in robust in-state markets for RECs (Renewable Energy Certificates), which enables system owners to receive monetary value for the clean characteristics of the energy their solar systems produce. This benefit is not available in Virginia, hence it is important to retain net metering with retail compensation. Any claims of harm to the grid as a result of distributed solar should be subject to careful and holistic studies which also consider the benefits of distributed solar.

2) Allow system capacity purchased to reflect future needs

People wanting to install a rooftop system are currently required to limit the size of their system to the level of electricity used over the past twelve months. Plans someone might have to add an electric vehicle, for example, could not be accommodated using the existing approach. Customers should be able to add some amount of additional capacity to meet reasonable future needs.

3) Allow third party-owned community solar

The Virginia General Assembly passed a limited type of Community Solar in the 2017 session that will permit customers to purchase electricity from a solar energy system located within Virginia. However, Dominion Energy is the only entity allowed to own and manage the generating system. For a number of years, Falls Church has included in its Legislative Program a request for true Community Solar, whereby a multifamily building, religious institution or similar entity within the City could install and own a rooftop solar system and then allow its members to purchase the electricity generated by the system. We again request this capability as a means to allow a broader set of customers to access solar energy within Falls Church.

4) Promote energy efficiency

There are many opportunities for individuals to reduce their energy use, through use of technology and conservation behaviors. We recommend establishment of an independent energy efficiency utility, whose purpose would be to assist residents throughout the state to reduce their use of energy. Individuals would save money, and the grid could meet the needs of customers with less investment in central generating facilities.